

COMMITTEE REPORT

MR. PRESIDENT:

The Senate Committee on Finance, to which was referred House Bill No. 2005, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, delete lines 1 through 16, begin a new paragraph and insert:
- 2 "SECTION 1. IC 6-1.1-10-16, AS AMENDED BY P.L.198-2001,
- 3 SECTION 28, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2003]: Sec. 16. (a) All or part of a building is exempt from
- 5 property taxation if it is owned, occupied, and used by a person for
- 6 educational, literary, scientific, religious, or charitable purposes.
- 7 (b) A building is exempt from property taxation if it is owned,
- 8 occupied, and used by a town, city, township, or county for educational,
- 9 literary, scientific, fraternal, or charitable purposes.
- 10 (c) A tract of land, including the campus and athletic grounds of an
- 11 educational institution, is exempt from property taxation if:
- 12 (1) a building ~~which that~~ is exempt under subsection (a) or (b) is
- 13 situated on it; and
- 14 ~~(2) the tract does not exceed:~~
- 15 ~~(A) one hundred fifty (150) acres in the case of:~~
- 16 ~~(i) an educational institution;~~
- 17 ~~(ii) a tract that was exempt under this subsection on March~~
- 18 ~~1, 1987; or~~
- 19 ~~(B) two hundred (200) acres in the case of a local association~~

- 1 formed for the purpose of promoting 4-H programs; or
 2 ~~(C) fifteen (15) acres in all other cases.~~
- 3 **(2) a parking lot or structure that serves a building referred**
 4 **to in subdivision (1) is situated on it; or**
- 5 **(3) the tract:**
- 6 **(A) is owned by a nonprofit entity established for the**
 7 **purpose of retaining and preserving land and water for**
 8 **their natural characteristics;**
- 9 **(B) has a conservation easement, as defined in**
 10 **IC 32-23-5-2, that imposes limitations or affirmative**
 11 **obligations on the use of the tract; and**
- 12 **(C) is not used by the nonprofit entity to make a profit.**
- 13 (d) A tract of land is exempt from property taxation if:
- 14 (1) it is purchased for the purpose of erecting a building ~~which~~
 15 **that** is to be owned, occupied, and used in such a manner that the
 16 building will be exempt under subsection (a) or (b); **and**
- 17 ~~(2) the tract does not exceed:~~
- 18 ~~(A) one hundred fifty (150) acres in the case of:~~
- 19 ~~(i) an educational institution; or~~
- 20 ~~(ii) a tract that was exempt under this subsection on March~~
 21 ~~1, 1987;~~
- 22 ~~(B) two hundred (200) acres in the case of a local association~~
 23 ~~formed for the purpose of promoting 4-H programs; or~~
- 24 ~~(C) fifteen (15) acres in all other cases; and~~
- 25 ~~(3) (2) not more than three (3) years after the property is~~
 26 purchased, and for each year after the three (3) year period, the
 27 owner demonstrates substantial progress **and active pursuit**
 28 towards the erection of the intended building and use of the tract
 29 for the exempt purpose. To establish ~~that~~ substantial progress **is**
 30 **being made; and active pursuit under this subdivision,** the
 31 owner must prove the existence of factors such as the following:
- 32 (A) Organization of and activity by a building committee or
 33 other oversight group.
- 34 (B) Completion and filing of building plans with the
 35 appropriate local government authority.
- 36 (C) Cash reserves dedicated to the project of a sufficient
 37 amount to lead a reasonable individual to believe the actual
 38 construction can and will begin within three (3) years.

1 (D) The breaking of ground and the beginning of actual
2 construction.

3 (E) Any other factor that would lead a reasonable individual to
4 believe that construction of the building is an active plan and
5 that the building is capable of being completed within six (6)
6 years considering the circumstances of the owner.

7 (e) Personal property is exempt from property taxation if it is owned
8 and used in such a manner that it would be exempt under subsection (a)
9 or (b) if it were a building.

10 (f) A hospital's property ~~which~~ **that** is exempt from property
11 taxation under subsection (a), (b), or (e) shall remain exempt from
12 property taxation even if the property is used in part to furnish goods
13 or services to another hospital whose property qualifies for exemption
14 under this section.

15 (g) Property owned by a shared hospital services organization ~~which~~
16 **that** is exempt from federal income taxation under Section 501(c)(3)
17 or 501(e) of the Internal Revenue Code is exempt from property
18 taxation if it is owned, occupied, and used exclusively to furnish goods
19 or services to a hospital whose property is exempt from property
20 taxation under subsection (a), (b), or (e).

21 (h) This section does not exempt from property tax an office or a
22 practice of a physician or group of physicians that is owned by a
23 hospital licensed under IC 16-21-1 or other property that is not
24 substantially related to or supportive of the inpatient facility of the
25 hospital unless the office, practice, or other property:

26 (1) provides or supports the provision of charity care (as defined
27 in IC 16-18-2-52.5), including providing funds or other financial
28 support for health care services for individuals who are indigent
29 (as defined in IC 16-18-2-52.5(b) and IC 16-18-2-52.5(c)); or

30 (2) provides or supports the provision of community benefits (as
31 defined in IC 16-21-9-1), including research, education, or
32 government sponsored indigent health care (as defined in
33 IC 16-21-9-2).

34 However, participation in the Medicaid or Medicare program alone
35 does not entitle an office, practice, or other property described in this
36 subsection to an exemption under this section.

37 (i) A tract of land or a tract of land plus all or part of a structure on
38 the land is exempt from property taxation if:

1 (1) the tract is acquired for the purpose of erecting, renovating, or
2 improving a single family residential structure that is to be given
3 away or sold:

4 (A) in a charitable manner;

5 (B) by a nonprofit organization; and

6 (C) to low income individuals who will:

7 (i) use the land as a family residence; and

8 (ii) not have an exemption for the land under this section;

9 (2) the tract does not exceed three (3) acres;

10 (3) the tract of land or the tract of land plus all or part of a
11 structure on the land is not used for profit while exempt under this
12 section; and

13 (4) not more than three (3) years after the property is acquired for
14 the purpose described in subdivision (1), and for each year after
15 the three (3) year period, the owner demonstrates substantial
16 progress **and active pursuit** towards the erection, renovation, or
17 improvement of the intended structure. To establish ~~that~~
18 substantial progress ~~is being made;~~ **and active pursuit under this**
19 **subdivision**, the owner must prove the existence of factors such
20 as the following:

21 (A) Organization of and activity by a building committee or
22 other oversight group.

23 (B) Completion and filing of building plans with the
24 appropriate local government authority.

25 (C) Cash reserves dedicated to the project of a sufficient
26 amount to lead a reasonable individual to believe the actual
27 construction can and will begin within six (6) years of the
28 initial exemption received under this subsection.

29 (D) The breaking of ground and the beginning of actual
30 construction.

31 (E) Any other factor that would lead a reasonable individual to
32 believe that construction of the structure is an active plan and
33 that the structure is capable of being:

34 (i) completed; and

35 (ii) transferred to a low income individual who does not
36 receive an exemption under this section;

37 within six (6) years considering the circumstances of the
38 owner.

(j) An exemption under subsection (i) terminates when the property is conveyed by the nonprofit organization to another owner. When the property is conveyed to another owner, the nonprofit organization receiving the exemption must file a certified statement with the auditor of the county, notifying the auditor of the change not later than sixty (60) days after the date of the conveyance. The county auditor shall immediately forward a copy of the certified statement to the county assessor. A nonprofit organization that fails to file the statement required by this subsection is liable for the amount of property taxes due on the property conveyed if it were not for the exemption allowed under this chapter.

(k) If property is granted an exemption in any year under subsection (i) and the owner:

(1) ceases to be eligible for the exemption under subsection (i)(4);

(2) fails to transfer the tangible property within six (6) years after the assessment date for which the exemption is initially granted;

or

(3) transfers the tangible property to a person who:

(A) is not a low income individual; or

(B) does not use the transferred property as a residence for at least one (1) year after the property is transferred;

the person receiving the exemption shall notify the county recorder and the county auditor of the county in which the property is located not later than sixty (60) days after the event described in subdivision (1), (2), or (3) occurs. The county auditor shall immediately inform the county assessor of a notification received under this subsection.

(l) If subsection (k)(1), (k)(2), or (k)(3) applies, the owner shall pay, not later than the date that the next installment of property taxes is due, an amount equal to the sum of the following:

(1) The total property taxes that, if it were not for the exemption under subsection (i), would have been levied on the property in each year in which an exemption was allowed.

(2) Interest on the property taxes at the rate of ten percent (10%) per year.

(m) The liability imposed by subsection (l) is a lien upon the property receiving the exemption under subsection (i). An amount collected under subsection (l) shall be collected as an excess levy. If the amount is not paid, it shall be collected in the same manner that

delinquent taxes on real property are collected.

(n) Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

SECTION 2. IC 6-1.1-10-21, AS AMENDED BY P.L.198-2001, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 21. (a) The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:

(1) A building ~~which~~ **that** is used for religious worship.

~~(2) Buildings that are used as parsonages.~~

~~(3) (2)~~ The pews and furniture contained within a building ~~which~~ **that** is used for religious worship.

~~(4) (3)~~ The tract of land ~~not exceeding fifteen (15) acres,~~ upon which a building ~~described in this section~~ **that is used for religious worship** is situated.

(b) **The following tangible property is exempt from property taxation if it is owned by, or held in trust for the use of, a church or religious society:**

(1) A building that is used as a parsonage.

(2) The tract of land, not exceeding fifteen (15) acres, upon which a building that is used as a parsonage is situated.

(c) To obtain an exemption for parsonages, a church or religious society must provide the county ~~auditor~~ **assessor** with an affidavit at the time the church or religious society applies for the exemptions. The affidavit must state that:

(1) all parsonages are being used to house one (1) of the church's or religious society's rabbis, priests, preachers, ministers, or pastors; and

(2) none of the parsonages are being used to make a profit.

The affidavit shall be signed under oath by the church's or religious society's head rabbi, priest, preacher, minister, or pastor. ~~The county auditor shall immediately forward a copy of the affidavit to the county assessor.~~

~~(c)~~ **(d)** Property referred to in this section shall be assessed to the extent required under IC 6-1.1-11-9.

SECTION 3. IC 6-1.1-10-36.3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 36.3. (a) For purposes of this section, property is predominantly used or occupied for one (1)

or more stated purposes if it is used or occupied for one (1) or more of those purposes during more than fifty percent (50%) of the time that it is used or occupied in the year that ends on the assessment date of the property.

(b) **The determination under subsection (c) of:**

(1) the use or occupation of the property; and

(2) the application of an exemption;

applies separately to each part of the property identified under IC 6-1.1-11-3(c)(5).

(c) If a section of this chapter states one (1) or more purposes for which property must be used or occupied in order to qualify for an exemption, then the exemption applies as follows:

(1) Property that is exclusively used or occupied for one (1) or more of the stated purposes is totally exempt under that section.

(2) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a church, religious society, or not-for-profit school is totally exempt under that section.

(3) Property that is predominantly used or occupied for one (1) or more of the stated purposes by a person other than a church, religious society, or not-for-profit school is exempt under that section from property tax on the part of the assessment of the property that bears the same proportion to the total assessment of the property as the amount of time that the property was used or occupied for one (1) or more of the stated purposes during the year that ends on the assessment date of the property bears to the amount of time that the property was used or occupied for any purpose during that year.

(4) Property that is predominantly used or occupied for a purpose other than one (1) of the stated purposes is not exempt from any part of the property tax.

~~(c)~~ (d) Property is not used or occupied for one (1) or more of the stated purposes during the time that a predominant part of the property is used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of one (1) or more of the stated purposes.

SECTION 4. IC 6-1.1-11-3, AS AMENDED BY P.L.178-2002, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3. (a) **Subject to subsections (e) and (f), an**

owner of tangible property who wishes to obtain an exemption from property taxation shall file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. The application must be filed annually on or before May 15 on forms prescribed by the department of local government finance. Except as provided in sections 1, 3.5, and 4 of this chapter, the application applies only for the taxes imposed for the year for which the application is filed.

(b) The authority for signing an exemption application may not be delegated by the owner of the property to any other person except by an executed power of attorney.

(c) An exemption application which is required under this chapter shall contain the following information:

(1) A description of the property claimed to be exempt in sufficient detail to afford identification.

(2) A statement showing the ownership, possession, and use of the property.

(3) The grounds for claiming the exemption.

(4) The full name and address of the applicant.

(5) For the year that ends on the assessment date of the property, identification of:

(A) each part of the property used or occupied; and

(B) each part of the property not used or occupied;

for one (1) or more exempt purposes under IC 6-1.1-10 during the time the property is used or occupied.

(6) Any additional information which the department of local government finance may require.

(d) A person who signs an exemption application shall attest in writing and under penalties of perjury that, to the best of the person's knowledge and belief, a predominant part of the property claimed to be exempt is not being used or occupied in connection with a trade or business that is not substantially related to the exercise or performance of the organization's exempt purpose.

(e) If an owner wishes to file an exemption application under subsection (a) with respect to tangible property for which the tax duplicate:

(1) includes no assessed value; or

(2) includes an assessed value that omits the assessed value of

1 any part of the property;
 2 the applicant must request in writing that the township assessor
 3 assess the property or any omitted property. The applicant shall
 4 file a copy of the written request with the county assessor.

5 (f) If the county assessor determines that:

6 (1) an exemption application filed under subsection (a) applies
 7 to tangible property described in subsection (e)(1) or (e)(2);
 8 and

9 (2) the applicant has not complied with subsection (e);

10 the county assessor shall notify the applicant in writing of the
 11 requirements of subsection (e). The applicant then has thirty (30)
 12 days after the date on the notice to comply with the requirements
 13 of subsection (e). The county property tax assessment board of
 14 appeals shall deny an application described in this subsection if the
 15 applicant does not comply with this subsection."

16 Delete pages 2 through 6.

17 Page 7, delete lines 1 through 7.

18 Page 7, line 17, delete "a nonprofit corporation." and insert ":

19 (A) a nonprofit corporation;

20 (B) a governmental entity; or

21 (C) an individual who leases a dwelling unit in:

22 (i) a public housing project;

23 (ii) a nursing facility referred to in IC 12-15-14;

24 (iii) an assisted living facility; or

25 (iv) an affordable housing development."

26 Page 7, between lines 31 and 32, begin a new paragraph and insert:

27 "SECTION 6. IC 6-1.1-11-5 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) The ~~auditor~~
 29 assessor of the county in which property is located shall, in a particular
 30 year, mail a notice to the owner of the property if:

31 (1) the owner has not applied for a tax exemption for that year;

32 (2) a tax exemption for the property was in effect for the
 33 immediately preceding year; and

34 (3) the owner is required to file an application for the exemption
 35 for that year under section 3 or 3.5 of this chapter.

36 (b) The notice required by this section must:

37 (1) identify the property by key number, if any, and a street
 38 address, if any, or other common description of the property other

1 than a legal description; and

2 (2) state that the property will be placed on the county tax
3 duplicate unless the owner applies for an exemption within fifteen
4 (15) days after the date the notice is mailed.

5 The county ~~auditor~~ **assessor** shall mail any notice required by this
6 section on or before June 15 of the year in which the exemption
7 application should have been filed.

8 (c) A county ~~auditor's~~ **assessor's** failure to give the notice required
9 by this section does not continue an exemption unless an exemption
10 application is filed by the owner and approved by the county property
11 tax assessment board of appeals on or before the first Monday in
12 November of the year following the year in which the application
13 should have been filed.

14 SECTION 7. IC 6-1.1-11-6 IS AMENDED TO READ AS
15 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. Before the
16 convening of the county property tax assessment board of appeals, the
17 county ~~auditor~~ **assessor** shall submit the exemption applications to the
18 county property tax assessment board of appeals for examination.

19 SECTION 8. IC 6-1.1-11-7, AS AMENDED BY P.L.90-2002,
20 SECTION 104, IS AMENDED TO READ AS FOLLOWS
21 [EFFECTIVE UPON PASSAGE]: Sec. 7. (a) The county property tax
22 assessment board of appeals, after careful examination, shall approve
23 or disapprove each exemption application and shall note its action on
24 the application.

25 (b) If the county property tax assessment board of appeals approves
26 the exemption, in whole or part:

27 **(1) the county assessor shall notify the county auditor of the**
28 **approval; and**

29 **(2) the county auditor shall note the board's action on the tax**
30 **duplicate.**

31 The county auditor's notation is notice to the county treasurer that the
32 exempt property shall not be taxed for the current year unless otherwise
33 ordered by the department of local government finance.

34 (c) If the exemption application is disapproved by the county
35 property tax assessment board of appeals, the county ~~auditor~~ **assessor**
36 shall notify the applicant by mail. Within thirty (30) days after the
37 notice is mailed, the owner may, in the manner prescribed in
38 IC 6-1.1-15-3, petition the Indiana board to review the county property

1 tax assessment board of appeals' determination."

2 Page 8, line 5, delete ", on or before August 1 of each" and insert
3 **"annually"**.

4 Page 8, line 6, delete "year,".

5 Page 8, line 12, after "year." insert **"The department must submit**
6 **the report under this subsection not later than August 1 of the**
7 **year."**.

8 Page 8, delete lines 13 through 21.

9 Page 8, line 22, delete "(e)" and insert **"(d)"**.

10 Page 8, delete lines 29 through 42, begin a new paragraph and
11 insert:

12 "SECTION 10. IC 6-1.1-11-10, AS AMENDED BY P.L.178-2002,
13 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
14 UPON PASSAGE]: Sec. 10. No fee may be charged by a county
15 auditor **or county assessor**, or the county auditor's **or county**
16 **assessor's** employees, for filing or preparing an exemption application.

17 SECTION 11. IC 6-1.1-21-4, AS AMENDED BY P.L.192-2002(ss),
18 SECTION 41, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2003]: Sec. 4. (a) Each year the department shall allocate from
20 the property tax replacement fund an amount equal to the sum of:

21 (1) each county's total eligible property tax replacement amount
22 for that year; plus

23 (2) the total amount of homestead tax credits that are provided
24 under IC 6-1.1-20.9 and allowed by each county for that year;
25 plus

26 (3) an amount for each county that has one (1) or more taxing
27 districts that contain all or part of an economic development
28 district that meets the requirements of section 5.5 of this chapter.
29 This amount is the sum of the amounts determined under the
30 following STEPS for all taxing districts in the county that contain
31 all or part of an economic development district:

32 STEP ONE: Determine that part of the sum of the amounts
33 under section 2(g)(1)(A) and 2(g)(2) of this chapter that is
34 attributable to the taxing district.

35 STEP TWO: Divide:

36 (A) that part of the subdivision (1) amount that is
37 attributable to the taxing district; by

38 (B) the STEP ONE sum.

- 1 STEP THREE: Multiply:
- 2 (A) the STEP TWO quotient; times
- 3 (B) the taxes levied in the taxing district that are allocated to
- 4 a special fund under IC 6-1.1-39-5.
- 5 (b) Except as provided in subsection (e), between March 1 and
- 6 August 31 of each year, the department shall distribute to each county
- 7 treasurer from the property tax replacement fund one-half (1/2) of the
- 8 estimated distribution for that year for the county. Between September
- 9 1 and December 15 of that year, the department shall distribute to each
- 10 county treasurer from the property tax replacement fund the remaining
- 11 one-half (1/2) of each estimated distribution for that year. The amount
- 12 of the distribution for each of these periods shall be according to a
- 13 schedule determined by the property tax replacement fund board under
- 14 section 10 of this chapter. The estimated distribution for each county
- 15 may be adjusted from time to time by the department to reflect any
- 16 changes in the total county tax levy upon which the estimated
- 17 distribution is based.
- 18 (c) On or before December 31 of each year or as soon thereafter as
- 19 possible, the department shall make a final determination of the amount
- 20 which should be distributed from the property tax replacement fund to
- 21 each county for that calendar year. This determination shall be known
- 22 as the final determination of distribution. The department shall
- 23 distribute to the county treasurer or receive back from the county
- 24 treasurer any deficit or excess, as the case may be, between the sum of
- 25 the distributions made for that calendar year based on the estimated
- 26 distribution and the final determination of distribution. The final
- 27 determination of distribution shall be based on the auditor's abstract
- 28 filed with the auditor of state, adjusted for postabstract adjustments
- 29 included in the December settlement sheet for the year, and such
- 30 additional information as the department may require.
- 31 (d) All distributions provided for in this section shall be made on
- 32 warrants issued by the auditor of state drawn on the treasurer of state.
- 33 If the amounts allocated by the department from the property tax
- 34 replacement fund exceed in the aggregate the balance of money in the
- 35 fund, then the amount of the deficiency shall be transferred from the
- 36 state general fund to the property tax replacement fund, and the auditor
- 37 of state shall issue a warrant to the treasurer of state ordering the
- 38 payment of that amount. However, any amount transferred under this

1 section from the general fund to the property tax replacement fund
 2 shall, as soon as funds are available in the property tax replacement
 3 fund, be retransferred from the property tax replacement fund to the
 4 state general fund, and the auditor of state shall issue a warrant to the
 5 treasurer of state ordering the replacement of that amount.

6 (e) Except as provided in subsection (i), the department shall not
 7 distribute under subsection (b) and section 10 of this chapter the money
 8 attributable to the county's property reassessment fund if, by the date
 9 the distribution is scheduled to be made, the county auditor has not:

10 (1) sent a certified statement required to be sent by that date under

11 IC 6-1.1-17-1; **or**

12 (2) **forwarded the duplicate copies of all approved exemption**
 13 **applications required to be forwarded by that date under**

14 **IC 6-1.1-11-8(a);**

15 to the department of local government finance.

16 (f) Except as provided in subsection (i), if the elected township
 17 assessors in the county, the elected township assessors and the county
 18 assessor, or the county assessor has not transmitted to the department
 19 of local government finance by October 1 of the year in which the
 20 distribution is scheduled to be made the data for all townships in the
 21 county required to be transmitted under IC 6-1.1-4-25(b), the state
 22 board or the department shall not distribute under subsection (b) and
 23 section 10 of this chapter a part of the money attributable to the
 24 county's property reassessment fund. The portion not distributed is the
 25 amount that bears the same proportion to the total potential distribution
 26 as the number of townships in the county for which data was not
 27 transmitted by August 1 as described in this section bears to the total
 28 number of townships in the county.

29 (g) Money not distributed ~~under subsection (e)~~ **for the reasons**
 30 **stated in subsection (e)(1) and (e)(2)** shall be distributed to the county
 31 when the county auditor:

32 (1) sends to the department of local government finance the
 33 certified statement required to be sent under IC 6-1.1-17-1; **and**

34 (2) **forwards to the department of local government finance**
 35 **the approved exemption applications required to be**
 36 **forwarded under IC 6-1.1-11-8(a);**

37 with respect to which the failure to send **or forward** resulted in the
 38 withholding of the distribution under subsection (e).

(h) Money not distributed under subsection (f) shall be distributed to the county when the elected township assessors in the county, the elected township assessors and the county assessor, or the county assessor transmits to the department of local government finance the data required to be transmitted under IC 6-1.1-4-25(b) with respect to which the failure to transmit resulted in the withholding of the distribution under subsection (f).

(i) The restrictions on distributions under subsections (e) and (f) do not apply if the department of local government finance determines that:

(1) the failure of a county auditor to send:

(A) a certified statement; or

(B) copies of all approved exemption applications;

as described in subsection (e); or

(2) the failure of an official to transmit data as described in subsection (f);

is justified by unusual circumstances.

SECTION 12. IC 14-33-7-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. (a) This section applies to the following tangible property owned by or held in trust for the use of a church or religious society:

(1) A building that is used for religious worship.

(2) A building that is used as a parsonage.

(3) The pews and furniture contained within a building that is used for religious worship.

(4) **The land upon which a building that is used for religious worship is situated.**

(5) The land, not exceeding fifteen (15) acres, upon which a building ~~described in this section~~ **that is used as a parsonage** is situated.

(b) Property is exempt from the special benefits tax that may be imposed under:

(1) IC 14-33-6-13 and section 1 of this chapter; or

(2) IC 14-33-21-5;

to the extent that the special benefits tax revenue will be used for the construction or improvement of a water impoundment project, including a lake, pond, or dam.

(c) To obtain an exemption for a parsonage, a church or religious

- 1 society must provide the county auditor with an affidavit at the time the
2 church or religious society applies for the exemption. The affidavit
3 must:
- 4 (1) state:
- 5 (A) that all parsonages are being used to house one (1) of the
6 church's or religious society's rabbis, priests, preachers,
7 ministers, or pastors; and
- 8 (B) that none of the parsonages are being used to make a
9 profit; and
- 10 (2) be signed under oath or affirmation by the church's or
11 religious society's head rabbi, priest, preacher, minister, pastor, or
12 designee of the official church body."
- 13 Delete pages 9 through 11.
- 14 Page 12, delete lines 1 through 20.
- 15 Page 12, line 33, delete "fifteen (15)" and insert "**forty-five (45)**".
- 16 Page 13, line 5, delete "Interest of four percent (4%) per year" and

- 1 insert "**No interest**".
- 2 Page 13, line 9, delete "SECTION 6" and insert "**SECTION 13**".
- 3 Renumber all SECTIONS consecutively.
(Reference is to HB 2005 as reprinted March 5, 2003.)

and when so amended that said bill do pass.

Committee Vote: Yeas 14, Nays 0.

Borst

Chairperson